

Message Text

LIMITED OFFICIAL USE

PAGE 01 BELGRA 00614 081445Z

50

ACTION EUR-25

INFO OCT-01 ISO-00 FTC-01 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 STR-08 FEA-02

AGR-20 INT-08 DRC-01 SAJ-01 NIC-01 PM-07 NSC-10

SAM-01 SS-20 /182 W

----- 103545

R 081414Z FEB 74

FM AMEMBASSY BELGRADE

TO SECSTATE WASHDC 8444

INFO AMCONSUL ZAGREB

LIMITED OFFICIAL USE BELGRADE 0614

E.O. 11652: N/A

TAGS: PFOR, EGEN, YO

SUBJECT: FEDERAL SECRETARY FOR ECONOMY DISCUSSES
US-YUGOSLAV JOINT VENTURES

SUMMARY: IN FAREWELL CALL BY ECONOMIC/COMMERCIAL COUNSELOR
BOLEN, FEDERAL SECRETARY FOR ECONOMY DIMITRIJEVIC PRAISED
PROGRESS OF ECONOMIC RELATIONS WITH US, INCLUDING JOINT VENTURE
AREA. HE SAID GOY CONSIDERING NEW MEASURES TO ATTRACT FOREIGN
CAPITAL INTO DEVELOPMENT OF PRIORITY BRANCHES, INCLUDING ARRANGE-
MENTS TO TRANSFER SHARE OF THE PRODUCT TO FOREIGN INVESTOR.
END SUMMARY.

1. FEDERAL SECRETARY FOR ECONOMY BOSKO DIMITRIJEVIC EXPRESSED
APPRECIATION FOR INCREASINGLY CLOSE US-YUGOSLAV ECONOMIC COOPERATION,
AND EMPHASIZED IMPORTANCE OF CONTINUING THIS
PROGRESS.

2. DIMITRIJEVIC SAID HE WAS PLEASED WITH RECENT INCREASE IN
JOINT VENTURES CONCLUDED (DOW-OKI, JESENIC STEEL) AND IN PROJECTS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BELGRA 00614 081445Z

UNDER ACTIVE NEGOTIATION, ADDING: "THE PERIOD OF MOST INTENSIVE

COOPERATION IN INVESTMENTS IS JUST BEFORE US."

3. ASKED WHAT MEASURES GOY PLANS TO STIMULATE JOINT VENTURES, DIMITRIJEVIC RESPONDED THAT CONSIDERATION BEING GIVEN TO NEW INCENTIVES TO SPEED DEVELOPMENT OF PRIORITY BRANCHES -- ENERGY, FERROUS AND NONFERROUS METALS, CHEMICALS, AGRICULTURE, TRANSPORT AND TOURISM.

4. DIMITRIJEVIC FORESAW MORE ARRANGEMENTS UNDER WHICH FOREIGN FIRMS WOULD RECEIVE REPAYMENT OF CREDITS IN FORM OF PRODUCT BEING DEVELOPED (I.E., APPARENTLY IN LINE WITH, FOR EXAMPLE, ENRGONVEST-SOVIET ARRANGEMENT ON ALUMINA REPORT IN BELGRADE 3288).

5. BEYOND THIS, HOWEVER-DIMITRIJEVIC SAID-DOY ALSO CONSIDERING AMENDMENT TO JOINT INVESTMENT LEGISLATION TO PERMIT YUGOSLAV ENTERPRISES AT THEIR OPTION TO OFFER FOREIGN PARTNERS SHARE OF PRODUCT TO UTILIZE AS LATTER SEE FIT. ARRANGEMENT WOULD PROBABLY APPLY ONLY TO PRIORITY BRANCHES, PARTICULARLY OIL, GAS, METALS, AND AGRICULTURE, BUT ALWAYS WITH PROVISIO THAT "OVERALL YUGOSLAV DOMESTIC NEEDS HAVE TO BE MET FIRST."

6. "WE BELIEVE WE HAVE AT LEAST CERTAIN QUANTITY OF OIL IN ADRIATIC," DIMITRIJEVIC COMMENTED, " AND MIGHT FIND A GOOD BIT MORE." IN LIGHT OF RECENT OIL PRICE RISES AND SHORTAGE OF YUGOSLAV CAPITAL FOR EXPLORATION, HE CONSIDERED IT ESSENTIAL THAT LONG DRAWN-OUT NEGOTIATIONS WITH FOREIGN OIL FIRMS ON JOINT DEVELOPMENT BE CONCLUDED SUCCESSFULLY, AS SOON AS POSSIBLE.

7. DIMITRIJEVIC READILY AGREED WITH BOLEN COMMENT THAT CATTLE BREEDING AND MEAT PRODUCTION IS PARTICULARLY PROMISING AREA FOR US-YUGOSLAV JOINT VENTURES. WITH AMERICAN CAPITAL AND KNOW-HOW, YUGOSLAV FARMS WOULD BE IN POSITION TO INCREASE PRODUCTION FOR LUCRATIVE WEST EUROPEAN MARKET SIGNIFICANTLY.

8. FARWELL CALL WAS REPORTED IN FEBRUARY 7 TANJUG.
JOHNSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC COOPERATION, JOINT VENTURES, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BELGRA00614
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BELGRADE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740247/aaaabrtp.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUL 2002 by kelleyw0>; APPROVED <08 JUL 2002 by morefirh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FEDERAL SECRETARY FOR ECONOMY DISCUSSES US-YUGOSLAV JOINT VENTURES
TAGS: PFOR, EGEN, YO, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005